



TOURISM INFRASTRUCTURE INVESTMENT PROGRAM GUIDELINES 2012

Purpose - The purpose of the Tourism Infrastructure Investment Program (TIIP) is to provide grant funding that leverages other private and public funds for construction of new tourism-related facilities, and the enhancement of existing facilities to encourage visitors to stay in Montana longer and spend more money. The facility construction and enhancement will strengthen Montana's attraction as a visitor destination.

Program Summary -

Source of funds:

TIIP Grants are financed by the Montana Lodging Facility Use Tax revenue allocated to the Montana Office of Tourism, a division of the Montana Department of Commerce, as part of its annual operating budget.

Amount of funds available annually:

Montana Office of Tourism sets the TIIP Grant funding amount as part of its annual budgeting process. The amount is identified as part of the Montana Office of Tourism's budget at the June Tourism Advisory Council meeting and announced through various public information sources.

Number and dollar amount of grant awards:

There is no set number of grant awards to be made in any fiscal year. The grant award(s) made each year will not exceed the total amount of the TIIP funding set by the Montana Office of Tourism for that specific year. The minimum grant available for a TIIP project is \$20,000. The maximum grant amount is the total TIIP funding set for that given fiscal year. A proposed project may receive all or a portion of the grant funding requested in its grant proposal.

Program matching funds policy:

The project sponsor must provide a financial match to the funds awarded through the TIIP Grant. The required sponsor match is a minimum \$1.00 for every \$2.00 in TIIP funds awarded. The match must be in "hard" dollars, an actual money investment. In-kind services will not be considered as part of the hard match requirement. Project Sponsor money invested in the specific TIIP project during

the current fiscal year and immediate previous fiscal year prior the application deadline may be considered as part of the hard match requirement. Proposed matches will be reviewed on a specific project by project basis by the Montana Office of Tourism. The project sponsor must provide proof of hard match funds or money invested in the project before receiving any TIIP funds.

Un-allocated grant funds:

Grant funds not allocated through TIIP Grant awards in any given fiscal year will revert back to the Montana Office of Tourism's general budget to be re-allocated to other Montana Office of Tourism programs.

Time period for spending grant funds:

The project must be completed within 18 months from the signing of the TIIP contract by the Montana Department of Commerce.

Program Fund Usage - Only non-profit, tourism-related facility construction or enhancement projects will be eligible for TIIP funding. The TIIP Scoring Committee will review projects submitted for consideration and determine specific project eligibility, ranking and level of funding to be allocated. The following types of usage for TIIP Funds would be allowed and encouraged (list is not all-inclusive):

- * Project construction costs (brick & mortar) associated with building new and/or remodeling or preserving existing tourism and recreation attractions, historical sites and artifacts
- * Costs associated with purchasing new and/or existing tourism and recreation attractions, historical sites and artifacts
- * Equipment purchased for specific tourism project operation

The following types of usage for TIIP Funds would not be allowed (list is not all-inclusive):

- * Non-Project Salaries and facility administrative costs such as rent, postage, utilities, taxes, etc.
- * Entertainment, honoraria
- * Travel, food or lodging
- * Marketing, advertising, trade shows
- * Infrastructure such as community roads, sewers, sidewalks, water systems, etc.
- * Routine upkeep and maintenance expenses

* Market research/feasibility studies

Program Application Process -

Program Applicants:

TIIP Grant funds will only be allocated to applicant sponsors officially representing tourism-related, non-profit groups (such as chambers of commerce, economic development corporations, community clubs or organizations, arts, culture and historic preservation associations, etc.). Program applicants must be officially recognized by the IRS as having a non-profit status. Montana Indian tribes, cities and counties are considered qualifying tourism-related, non-profit groups for the purposes of applying for TIIP Grant funds.

State and federal public-sector agencies may apply for grant funds as a part of this program, but may be considered lower in priority to other qualified applicants.

Applicants may apply in successive years, regardless of receiving funding in previous TIIP project applications. Applicants awarded TIIP funds are eligible to re-apply for program funds only after they have successfully completed and closed out their TIIP project contract. Applicants and projects receiving TIIP funds within the previous 5 years may be considered lower in priority to other qualified applicants.

Applications for the TIIP Grants are updated in March of each year. To access a current TIIP Application, contact Montana Office of Tourism's Development & Education Program, 406-841-2795, vbjornberg@mt.gov or download the forms from the program website: <http://travelmontana.mt.gov/forms/>

Project Grant Proposal Review, Scoring & Selection Procedure:

Grant proposals responding to all questions in the application and received by the deadline set forth in the application will be reviewed and scored by the TIIP Scoring Committee. This committee is comprised of representatives from the Montana Department of Commerce, the Tourism Advisory Council and other appropriate agencies or entities.

Grant proposals will be scored on the strength and merit of the proposal as demonstrated in the written responses to the TIIP Application's questions and requests for information. Grant proposals must respond to all sections of the TIIP Grant Application in the manner and format requested in the application.

Following its review and scoring, the committee will present its TIIP Grant Funding recommendations to the Tourism Advisory Council at their October meeting. The Council will act on these recommendations and forward their funding recommendation list to the Montana Department of Commerce Director for final approval.

Disbursement of Funds - Following the Montana Department of Commerce Director's TIIP Grant Award approval, the Montana Office of Tourism will create the necessary TIIP Grant contractual agreements between the Department of Commerce and the project sponsor(s). The contractual agreements will outline, among other pertinent details, a Project Implementation Schedule, Duties and Expectations of each party and penalties for non-performance. When the contract is accepted and signed by all parties and the sponsor's hard match requirements are met, the Montana Office of Tourism will distribute the grant funds to the project sponsor(s).

No TIIP funds may be obligated until the contract has been signed by both the project sponsor and the Department of Commerce. TIIP funds may only be used for the purposes presented in the approved application.

Project Status Reports - Project sponsors receiving TIIP Grant fund awards are required to submit quarterly project development and implementation update reports from the time the contract is finalized until the project is completed, and/or until the 18-month time period has expired. These brief reports must follow a pre-determined format to include a short narrative describing the present status of the funded project and an accounting of grant and match funds invested to date in the development and implementation of the specific project. Project sponsors may also be invited to present project status reports to meetings of the Tourism Advisory Council.

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